

By RAJU CHEBIUM • Gannett Washington Bureau • July 20, 2010

A New Jersey congressman is joining three other House Democrats to form a new group whose main focus is to cut spending, tame the growing federal deficit and reduce the national debt.

Rep. John Adler, D-Cherry Hill, and his colleagues say proposals they unveiled today will save taxpayers \$72 billion over the next decade. The other group members are Democratic Reps. Gary Peters of Michigan, Peter Welch of Vermont and Jim Himes of Connecticut.

Adler wants the government to electronically deposit the paychecks of U.S. Treasury Department employees, cut funding for two Treasury programs, eliminate a sparingly used income tax credit, eliminate the Overseas Private Investment Corp. and recalibrate federal housing subsidies. Those steps would save taxpayers \$3.6 billion over 10 years, his office says.

"Families, seniors and small businesses live within their means, and so should Washington," Adler said in a statement. "Congress must cut spending and reduce an out-of-control deficit."

The other three lawmakers offered proposals such as ending oil-industry tax loopholes, eliminating duplicative federal programs and reducing farm commodity payments to wealthy growers.

A growing number of Democrats, especially those facing tough reelection in November, worry that big federal spending has become a political liability. Democrats are bracing for sizable losses in the fall as polls show voters are angry with continued sluggishness in the economy.

Adler voted for the \$787 billion economic stimulus bill last year. He defied his party in rejecting the health care overhaul bill and voting against a measure to increase Uncle Sam's borrowing limit.